Councilmember Charles Allen

## AN AMENDMENT

<u>#2</u>

## IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

Date:		10/02/2018	
Amendment offered by:		Councilmember Charles Allen	
To:		Bill 22-0092: Short-term Rental Regulation and Affordable Housing Protection Act of 2017	
Version:	Introduced Committee Pr First Reading Amended First Engrossed Enrolled Unidentified Emergency		
Section 102, page 2-3, lines 51-62 is amended by adding a new subsection (f) to read as			

**Section 102**, page 2-3, lines 51-62 is amended by adding a new subsection (f) to read as follows:

"(f)(1) The District Department of Transportation shall not issue an annual visitor parking permit, pursuant to 18 DCMR § 2414, to a housing unit for which a vacation rental endorsement has been issued.

"(2) For the purposes of 18 DCMR § 2414.14, a transient guest of a vacation rental shall not be considered a guest of a resident in the Advisory Neighborhood Commission area designated on an annual visitor parking permit."

Section: 106(e), page 5, line 115 is amended by striking the phrase "90 nights" and inserting the

phrase "120 nights" in its place.

**Section:** 108(a)(4), page 6, line 135 is amended by striking the phrase "90 nights" and inserting the phrase "120 nights" in its place.

## Rationale:

The amendment permits a property owner to provide vacation rentals for a total of 120 days in a year. This allows additional flexibility for many District property owners who may, for work or other reasons, be away from their home for extended periods or at unpredictable times that would not allow for a long-term rental.

The amendment also prohibits a guest of a vacation rental from using an annual visitor parking permit during their stay. The visitor parking permit program was intended to be used by personal guests visiting a resident who lives in an area zoned for residential permit parking, not for commercial purposes.



# OFFICE OF THE GENERAL COUNSEL

Council of the District of Columbia 1350 Pennsylvania Avenue NW, Suite 4 Washington, DC 20004 (202) 724-8026

# **MEMORANDUM**

TO:

Councilmember Charles Allen

FROM:

Nicole L. Streeter, General Counsel

DATE:

October 2, 2018

RE:

Legal sufficiency determination for Amendment #2 to Bill 22-92, the Short-term Rental Regulation and

Affordable Housing Protection Act of 2018

The amendment is legally and technically sufficient for Council consideration.

This amendment would provide that the District Department of Transportation shall not issue an annual visitor parking permit, pursuant to 18 DCMR § 2414, to a housing unit for which a vacation rental endorsement has been issued. The amendment would also provide that, for the purposes of 18 DCMR § 2414.14, a transient guest of a vacation rental shall not be considered a guest of a resident in the Advisory Neighborhood Commission area designated on an annual visitor parking permit.

Finally, the amendment increases the number of days per year that a host can operate a vacation rental from 90 days to 180 days.

I am available if you have any questions.

# COUNCIL OF THE DISTRICT OF COLUMBIA Office of the Budget Director



Jennifer Budoff Budget Director

## FISCAL IMPACT STATEMENT

TO:

The Honorable Phil Mendelson

Chairman, Council of the District of Columbia

FROM:

Jennifer Budoff - Budget Director

DATE:

October 2, 2018

SHORT TITLE:

Bill 22-92, the Short-Term Rental Regulation Act of 2018

TYPE:

Amendment #2

REQUESTED BY: Councilmember Allen

#### Conclusion

This amendment may reduce the revenue loss associated with the underlying bill. According to the Chief Financial Officer's fiscal impact statement dated October 1, 2018, the underlying bill is expected to reduce revenue by \$21 million in the first year and \$96 million over the four-year financial plan. If this amendment is accepted, the fiscal impact will be accounted for in an updated fiscal impact statement to be issued by the CFO prior to the second reading of the bill.

### Background

This amendment prohibits the District Department of Transportation (DDOT) from issuing an annual visitor parking permit to a housing unit for which a vacation rental license has been issued and prohibits a transient guest of a vacation rental from being considered a guest in the Advisory Neighborhood Commission area designated on an annual visitor parking permit. The amendment also expands the length of time a vacation rental may be rented out from 90 nights to 120 nights cumulatively.

### Analysis of Impact on Spending

This amendment may have an impact on spending if DDOT must upgrade its systems to accept information from the Department of Consumer and Regulatory Affairs on housing units that have received a vacation rental license. Those costs could not be determined at this time.

<sup>&</sup>lt;sup>1</sup> Office of the Chief Financial Officer, Fiscal Impact Statement – Bill 22-92, Short-tern Rental Regulation and Affordable Housing Protection Act of 2018 (October 1, 2018), available at http://app.cfo.dc.gov/services/fiscal\_impact/search.asp.

Analysis of Impact on Revenue

This amendment may offset a minimal amount of the transient lodging revenue loss resulting from the underlying bill by expanding the allowable cumulative rental days of a vacation rental from 90 to 120 nights cumulatively; however, the property will still have to be zoned for transient rentals and that accounts for most of the costs in the CFO's fiscal impact statement.